



M e m o r a n d u m

To: Panel Members

Date: September 25, 2015

From: Stewart Knox, Executive Director

File:

Subject: LEGISLATIVE UPDATE

1. The following bills have been introduced in the 2015-16 legislative session that may have a potential impact on the Employment Training Panel (ETP) program, or that may be of interest to the Panel:

SB 3 – Minimum Wage: Adjustment (Senator Mark Leno)

SUMMARY: Existing law requires that on and after July 1, 2014, the minimum wage for all industries be not less than \$9 per hour. Existing law further increases the minimum wage, on and after January 1, 2016, to not less than \$10 per hour.

As amended March 11, 2015, this bill would increase the minimum wage on and after January 1, 2016, to not less than \$11 per hour, and on and after July 1, 2017, to not less than \$13 per hour. The bill would require, commencing January 1, 2019, the annual automatic adjustment of the minimum wage to maintain employee purchasing power diminished by the rate of inflation during the previous year.

The adjustment would be calculated using the California Consumer Price Index, as specified. Further, the bill would prohibit the Industrial Welfare Commission from adjusting the minimum wage downward and from adjusting the minimum wage if the average percentage of inflation for the previous year was negative.

On August 28, 2015, the Appropriations Committee postponed the hearing on SB3 to year two of the 2015-16 legislative session.

SB 342 – California Workforce Investment Board: Responsibilities (Senator Hannah-Beth Jackson)

SUMMARY: Under existing law, the California Workforce Investment Board is responsible for assisting the Governor in the development, oversight, and continuous improvement of California's workforce investment system. Existing law requires the

board to assist the Governor in targeting resources to specified industry sectors and providing guidance to ensure that services reflect the needs of those sectors.

SB 342 would additionally require the California Workforce Investment Board to assist the Governor in helping individuals with barriers to employment achieve economic security and upward mobility by implementing policies that encourage the attainment of marketable skills relevant to current labor market trends.

On September 3, 2015, SB 342 was enrolled and presented to the Governor.

***NOTE: Friday, September 11, 2015 was the last day for the legislature to pass any bills and the start of Interim Recess. The California Senate and Assembly are adjourned and will re-convene on Monday, January 4, 2016. The Governor has until October 11, 2015, to sign or veto any bills passed by the legislature before the start of Interim Recess.**